

**9/22/77 [1]**

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THE PRESIDENT'S SCHEDULE

Thursday - September 22, 1977

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8:15 Dr. Zbigniew Brzezinski - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.

9:00 Senator Jennings Randolph. (Mr. Frank  
(15 min.) Moore) - The Oval Office.

10:30 Mr. Jody Powell - The Oval Office.

12:00 Lunch with Secretary Michael Blumenthal.  
The Oval Office.

1:15 Mr. Stanley E. Schneider, International  
(5 min.) President of Kiwanis International.  
(Ms. Midge Costanza) - Oval Office.

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

September 22, 1977

Chairman Campbell

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: CONSUMER PRODUCT SAFETY  
COMMISSION



ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Hamilton Jordan  
Bob Lipshutz

The attached was returned in the President's outbox today. A copy has been forwarded to Chairman Campbell and this copy is sent to you for your information.

Rick Hutcheson

RE: CONSUMER PRODUCT SAFETY COMMISSION

THE WHITE HOUSE  
WASHINGTON

*[Handwritten signature]*  
*[Handwritten signature]*  
*[Handwritten signature]*

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

cc: *Alan Campbell*

	MONDALE
	COSTANZA
	EIZENSTAT
X	JORDAN
X	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE  
WASHINGTON

9/22/77

Mr. President:

Hamilton had no comment.

Bob Lipshutz has a copy  
of the memo.

Rick





THE PRESIDENT HAS SEEN.

UNITED STATES CIVIL SERVICE COMMISSION

IN REPLY PLEASE REFER TO

WASHINGTON, D.C. 20415

YOUR REFERENCE

September 13, 1977

MEMORANDUM TO THE PRESIDENT

SUBJECT: Consumer Product Safety Commission

*cc: Alan -  
Pursue aggressively -  
Let the chips fall  
where they may - You  
have my backing -  
J.C.*

On July 19, 1977, my staff began an investigation of serious allegations appearing in the press and from elsewhere concerning personnel practices in the Consumer Product Safety Commission (CPSC) relating to the filling of positions in the competitive civil service. It is alleged that partisan political considerations influenced a substantial number of appointment offers made on January 19, 1977, that preferential treatment and favoritism has occurred in other cases and that other legal and regulatory violations have resulted from a general disregard of merit principles.

My staff has been investigating these allegations and tells me it has found that they are in large part substantiated by the facts uncovered thus far. A pattern of improper personnel practices seems to be emerging: personal and political favoritism in hiring, misclassification of jobs to accommodate the hiring of favorites, the improper use of consultant appointments in situations where the favored person could not be hired through regular civil service processes, and directing subordinates to take other personnel actions that are known to be improper.

My staff is moving as expeditiously as it responsibly can to complete the investigation. However, at this point you should be aware that responsibility for some of the apparently improper personnel actions is attributed to the Chairman of CPSC and others in top management positions in the agency.

The CSC will direct corrective action in areas where violations are proven and for which we have legal authority to act. Beyond that, if there are matters to be brought to your attention or other members of your Administration, we will do so.

**Electrostatic Copy Made  
for Preservation Purposes**

*[Signature]*  
Alan K. Campbell

THE WHITE HOUSE  
WASHINGTON  
September 22, 1977

Bob Lipshutz

The attached will be submitted  
to the President. This copy is sent  
to you for your information.

Rick Hutcheson

RE: CONSUMER PRODUCT SAFETY COMMISSION

ADMINISTRATIVELY CONFIDENTIAL



THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Bunny Mitchell

RE: MINORITY OWNERSHIP OF  
BROADCASTING OUTLETS

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	
FYI	

	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
/	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*  
BUNNY MITCHELL *B.*  
RICK NEUSTADT *RL*

SUBJECT:

Minority Ownership of Broadcasting Outlets

In the past month, we have met with representatives of about 20 minority groups -- including the Congressional Black Caucus, the NAACP, and the National Latino Media Coalition -- which are seeking to increase minority ownership of radio and TV stations and cable T.V. systems. They are interested in the media, not only as part of the overall thrust toward minority economic development, but also because of its social impact. They point out that less than 1% of the nation's broadcast outlets are minority-owned.

Working with Frank Washington of the Office of Telecommunications Policy, we have drafted a program to increase minority ownership without new Federal spending. The program would include:

- changes in the SBA and EDA loan programs to encourage loans for communications outlets. (No such loans are made now because of concern for broadcasters' independence in the event of default. We have developed insulating mechanisms to solve this problem.)
- calling on the FCC to make regulatory changes, such as requiring advance notice of license sales so minority groups have an opportunity to bid for licenses; and
- urging the broadcast and cable industries to raise loan money for minority buyers. (The industries are now considering such steps, and an indication of your interest would help get them moving.)

We propose to work with the relevant agencies, the industries, and the interested minority groups to develop final recommendations. We anticipate sending you those and a suggested public statement in late October. ?

Approve ✓

Disapprove \_\_\_\_\_

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for Preservation Purposes

*J*



THE WHITE HOUSE  
WASHINGTON

September 21, 1977

The Vice President  
Bob Lipshutz  
Frank Moore  
Jack Watson  
Bert Lance  
Charles Schultze

The attached will be submitted  
to the President. If you wish  
to comment, please call (x7052) by  
12:00 Noon on Thursday, September  
22, 1977.

Rick Hutcheson

MINORITY OWNERSHIP OF BROADCASTING  
OUTLETS

THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Jim McIntyre

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: The Vice President  
Frank Moore

RE: LETTER FROM SEN. RANDOLPH  
ON PROPOSED BUDGET FY 1979



THE WHITE HOUSE  
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
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<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
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<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
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<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<del>LOVE</del> <i>McIntyre</i>
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
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<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
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<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
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<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN



JENNINGS RANDOLPH, W. VA., CHAIRMAN  
EDMUND S. MUSKIE, MAINE  
MIKE GRAVEL, ALASKA  
LLOYD BENTSEN, TEX.  
QUENTIN N. BURDICK, N. DAK.  
JOHN C. CULVER, IOWA  
GARY HART, COLO.  
WENDELL R. ANDERSON, MINN.  
DANIEL PATRICK MOYNIHAN, N.Y.

JOHN W. YAGO, JR., STAFF DIRECTOR  
BAILEY GUARD, MINORITY STAFF DIRECTOR

ROBERT T. STAFFORD, VT.  
HOWARD H. BAKER, JR., TENN.  
JAMES A. MCCLURE, IDAHO  
PETE V. DOMENICI, N. MEX.  
JOHN H. CHAFEE, R.I.  
MALCOLM WALLOP, WYO.

~~THE PRESIDENT HAS SEEN.~~

cc: *McInLyne*

## United States Senate

*J*

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS  
WASHINGTON, D.C. 20510

September 21, 1977

The President  
The White House  
Washington, D.C.

Dear Mr. President:

Your Administration is currently preparing the proposed budget for fiscal year 1979. Many hard choices will have to be made in that process. Not every desirable program can receive all the funding it may require.

I encourage you, however, to direct that substantially increased financing be provided for the regular programs of the Economic Development Administration. With the continuing unacceptable national levels of unemployment and economic difficulties in many areas, I believe a budget request of at least \$1 billion is necessary for the regional and economic development programs in the Department of Commerce. I urge you to make such a budget request.

The highly successful Public Works Employment Act program has proven the utility of public work projects in responding to local unemployment and community needs. It has also demonstrated the ability of the Economic Development Administration to effectively obligate very large amounts of money.

The need for increased economic development support is acknowledged and already recognized in Administration policy. Secretary Kreps, in her excellent remarks before the U. S. Conference of Mayors in June of this year, outlined a strategy for meeting the desperate needs of the cities which she said required strengthening of the permanent programs of the Economic Development Administration. As Secretary Kreps observed, "our ability to restore health to urban economies will depend primarily on ... strengthening the local economic bases of cities, towns, states and regions; and creating jobs where unemployment now exists."

That need, together with the continuing need for development of our rural areas, demands a substantial increase in economic development funds. Current law authorizes \$1.325 billion for the Economic Development Administration for fiscal year 1979. A budget request of at

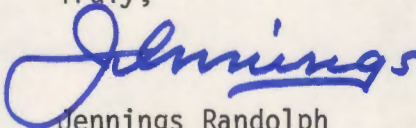
The President  
Page 2

least \$1 billion will be necessary to realize the promise of these programs in responding to the economic needs of the cities and other areas.

I know that you will give my recommendations your fullest consideration.

With kind personal regards, I am

Truly,



Jennings Randolph



THE WHITE HOUSE  
WASHINGTON  
September 22, 1977

Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: RESPONSE TO SEN. TOWER'S  
LETTER



THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
<i>h</i>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
	<i>h</i>	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

*top page only*

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
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	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE

WASHINGTON

September 20, 1977

*sk*  
*J*

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT

*Stu*

SUBJECT: Response to Senator Tower's Letter

Attached are copies of letters I signed to Senators Byrd and Tower responding to Tower's letter to you indicating the Administration's opposition to "mandatory wage-price controls" and "formal numerical guidelines" as anti-inflation tools.

Charlie Schultze drafted the letters and asked me to sign them. He felt it was better not to involve him as your economic adviser. I asked Charlie whether he wanted such strong language against numerical guideposts. He said he did, that it was simply a restatement of past and continuing policy, and that it was necessary, together with the rest of the letter, to secure removal of the "hold" which Senator Tower has placed on the extension of COWPS. This was the basis for Charlie drafting the letters in the first instance.

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for Preservation Purposes**



THE WHITE HOUSE

WASHINGTON

September 19, 1977

Dear Senator Tower:

The President has asked me to reply to your letter of September 13. The President regrets that recent newspaper accounts suggesting the Administration's attitude toward developing formal numerical guidelines or standards as an anti-inflation tool have caused you concern. He is particularly disturbed because the news accounts were misleading and inaccurate. You will recall that the White House press office immediately denied the stories.

The Administration formally opposes mandatory wage and price controls including standby controls. Moreover, it is our judgment that a program under which the Federal Government promulgates formal numerical guidelines such as those of the early 1960's would not be a desirable or effective remedy for inflation. Instead, the President has stressed the importance of meeting with business and labor leaders and other groups in the private sector to seek voluntary ways to deal with the serious problem of inflation. Members of the Cabinet and presidential advisors have been doing so. That effort, of course, will continue.

Sincerely,

Stuart E. Eizenstat  
Assitant to the President  
for Domestic Affairs and Policy

The Honorable John Tower  
United States Senate  
Washington, D.C. 20510

# United States Senate

WASHINGTON, D.C. 20510

13 September, 1977

The President  
The White House  
Washington, D.C.

Dear Mr. President,

According to recent press accounts, the Administration may be considering the adoption of wage/price standards or guidelines as a means of controlling inflation.

I find these press accounts disturbing. I am greatly concerned over the presently high rate of inflation and the lack of progress in continuing to bring the rate of inflation down. However, I am also concerned over the effect which wage/price standards and guidelines, voluntary or otherwise, would have in shattering business confidence, reducing capital investment and creating uncertainties, inequities and distortions throughout the economy. The mere discussion of possible wage/price standards and guidelines in the press already appears to have created a great deal of concern on the part of wage earners and businessmen, particularly in view of legislation pending in the Senate to extend the life of the Council on Wage and Price Stability until September 30, 1979.

I am, therefore, writing to you for the purpose of determining the Administration's intentions regarding the adoption of wage/price standards or guidelines. An indication of the Administration's intentions would be particularly helpful to members of the Senate who will be expected to vote before the end of this month on the legislation to extend the Council's life. If the Administration could provide assurances that such standards or guidelines will not be adopted, I feel that this would go a long way towards reducing uncertainty and instilling confidence in the private sector.

Sincerely,

John Tower



THE WHITE HOUSE

WASHINGTON

September 19, 1977

Dear Senator Byrd:

As you know, a bill to extend the Council on Wage and Price Stability within the Executive Office of the President is now pending before the Senate. The Administration feels the extension is vital to its efforts to deal with the persistent problem of inflation.

Senator John Tower on September 13 wrote to the President to express his concern over recent media reports suggesting that perhaps the White House is giving new thought to imposing wage-price guidelines. Senator Tower sought assurance that this would not happen.

The media stories were both inaccurate and misleading. The President, through his press office, immediately denied the stories. This has been pointed out to Senator Tower in a letter from the White House.

The letter to Senator Tower also stated that the Administration repeatedly has expressed very strong opposition to mandatory wage-price controls. Moreover, it recorded our own judgment that promulgation by the Federal government of formal numerical guidelines such as those of the early 1960's would not be a desirable or effective remedy to inflation. Nothing has changed this position. It is, however, the President's view that the Administration should continue to work with groups in the private sector toward seeking voluntary ways to deal with inflation. Members of this Administration have been meeting with business and labor leaders exploring ways of doing so.

We hope that the letter to Senator Tower offers the assurance he seeks. Obviously the Administration cannot go beyond this and still keep open options to deal with unforeseen bends ahead in the economic road.

I understand that you have spoken briefly with Charlie Schultze on this matter. Because of your past interest in the Council on Wage and Price Stability, I thought you should be aware of our position.

Sincerely,

Stuart E. Eizenstat  
Assistant to the President  
for Domestic Affairs and Policy

The Honorable Robert Byrd  
Majority Leader  
United States Senate  
Washington, D.C. 20510



THE WHITE HOUSE  
WASHINGTON

Lance memo re 1st 1978 Special Message  
under the Impoundment Control Act of  
1974 was signed on 9/22/77.



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

September 22, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: Bert Lance *Jim McIntyre, for*  
SUBJECT: First 1978 Special Message under the  
Impoundment Control Act of 1974

The first 1978 special message to the Congress under the Impoundment Control Act of 1974 is attached for your signature.

This message contains a single rescission proposal of \$2.7 million in budget authority for the Justice Department's Law Enforcement Assistance Administration. The funds represent the amount remaining available from general criminal justice and corrections formula grants that were allocated to State and local governments but were not used by them.

Section 1012 of the Impoundment Control Act requires that a rescission proposal be transmitted whenever you determine that budget authority will not be required for the purpose for which it was appropriated. One result of this provision is that when a transfer of funds is desired, a rescission proposal for the same funds is required. That is, the funds to be transferred are, implicitly, not needed for the purpose for which they were provided.

The proposed rescission of the unused funds stems from these circumstances and is equal to the total amount of funds being proposed for transfer to General legal activities and to the Antitrust Division, also in the Department of Justice. These activities need additional funding to meet increased caseload and grand jury workload requirements. This transfer request was forwarded to you for approval in the FY 1978 supplemental appropriations package. In the event that the funds are transferred prior to congressional action on this rescission proposal, the rescission request would be eliminated.

There is no objection to the proposal from the Department of Justice, the Congressional Liaison Staff, or the Domestic Policy Staff.

Recommendation

I recommend that the special message be transmitted to the Congress not later than Thursday, September 22, 1977.

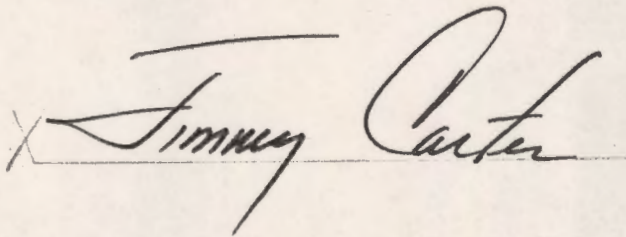
Attachment



TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of \$2.7 million in general criminal justice and corrections grant funds appropriated to the Department of Justice.

The details of the proposed rescission are contained in the attached report.

A handwritten signature in cursive script, reading "Jimmy Carter", is written over a horizontal line. The signature is written in dark ink and is positioned to the right of the typed name "Jimmy Carter".

THE WHITE HOUSE,



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

September 22, 1977

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FROM: Bert Lance *Jim McIntyre, for*  
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There is no objection to the proposal from the Department of Justice, the Congressional Liaison Staff, or the Domestic Policy Staff.

Recommendation

I recommend that the special message be transmitted to the Congress not later than Thursday, September 22, 1977.

Attachment



# CONTENTS OF SPECIAL MESSAGE

(in thousands of dollars)

<u>Rescission #</u>	<u>Item</u>	<u>Budget Authority</u>
	Department of Justice	
	Law Enforcement Assistance Administration	
R78-1	Salaries and expenses.....	2,668

\* \* \* \* \*

## SUMMARY OF SPECIAL MESSAGES FOR FY 1978

(in thousands of dollars)

	<u>Rescissions</u>	<u>Deferrals</u> <u>1/</u>
First special message.....	2,668	---

1/ Deferrals for FY 1978 cannot be proposed until October 1, 1977, in accordance with section 1013 of P.L. 93-344.



## PROPOSED RESCISSION OF BUDGET AUTHORITY

Report Pursuant to Section 1012 of P.L. 93-344

Agency Department of Justice	New budget authority (P.L. 95-86 )	\$ 647,250,000
Bureau Law Enforcement Assistance Administration	Other budgetary resources	100,040,000
Appropriation title & symbol	Total budgetary resources	747,290,000
Salaries and expenses 15X0400	Amount proposed for rescission	\$ 2,668,000
OMB identification code: 15-0400-0-1-754	Legal authority*(in addition to sec. 1012): <input type="checkbox"/> Antideficiency Act	
Grant program <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other _____	
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input checked="" type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____	

Justification:

Funds totalling \$2,668,000 of budget authority available until expended in the Law Enforcement Assistance Administration's (LEAA) Salaries and expenses account are proposed for rescission. These funds represent the amount remaining available for general criminal justice and corrections formula grants. The funds had been allocated to State and local governments but were not used by them. In these cases, such unused funds revert to LEAA for general application.

The proposed rescission of these funds is equal to an amount proposed for transfer to Salaries and expenses, General legal activities (\$1,445,000) and Salaries and expenses, Antitrust Division (\$1,223,000), both in the Department of Justice. Additional funds are needed for General legal activities to alleviate a serious backlog of cases involving monetary claims of the government, white collar crime, corporate taxes, torts, fraud, and general litigation. Increased funding for the Antitrust Division is required to meet the additional grand jury workload resulting from criminal price fixing investigations, to increase ADP support in complex antitrust litigation, to administer the new antitrust enforcement grant program, and to maintain a computerized document retrieval system for the grand jury investigation related to ocean shipping.

In summary, the need for using the \$2,668,000 for the General legal activities and in the Antitrust Division is greater than known LEAA needs for the funds. Therefore, they are proposed for transfer. This budget authority is also being reported as a rescission proposal to be consistent with section 1012 of the Impoundment Control Act which states that budget authority shall be proposed for rescission if it is no longer required for the purpose for which it was provided. The attached transfer language is included in a supplemental appropriations request presently before the Congress.



R78-1

Estimated Effect:

LEAA funds allocated to State and local governments, but not used by them, will be transferred, providing the Congress approves the transfer, for use in the Salaries and expenses accounts of General legal activities and the Antitrust Division.

Outlay Effect: (estimated in million of dollars).

## Comparison with President's 1978 Budget:

1. Budget outlay estimate for FY 1978.....	807.6
2. Outlay savings, if any, included in the budget outlay estimate.....	-0-

## Current Outlay Estimates for FY 1978

3. Without rescission.....	807.6
4. With rescission.....	807.3
5. Current outlay savings (line 3-line 4) <u>1/</u> .....	.3
Outlay Savings for FY 1979 <u>1/</u> .....	1.5
Outlay Savings for FY 1980 <u>1/</u> .....	.9

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1/ The outlay savings shown here would be offset in an equal amount by outlay increases in the two accounts receiving the additional funds by transfer.

## DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES

## Salaries and expenses, General Legal Activities

For an additional amount for "Salaries and expenses, General legal activities", \$1,445,000, to be derived by transfer from "Salaries and expenses", Law Enforcement Assistance Administration.

## Salaries and expenses, Antitrust Division

For an additional amount for "Salaries and expenses, Antitrust Division", \$1,223,000, to be derived by transfer from "Salaries and expenses", Law Enforcement Assistance Administration.



THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Jim McIntyre

The attached was returned in the President's outbox. This copy is sent to you for your information. The signed original has been given to Bob Linder for appropriate handling and delivery.

Rick Hutcheson

cc: Bob Linder

RE: PROPOSED FY 78 REQUEST FOR  
SUPPLEMENTAL APPROPRIATION FOR  
RESETTLEMENT OF SOUTHEAST ASIA  
REFUGEES INTO THE U.S.



THE PRESIDENT HAS SEEN.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

September 20, 1977

SIGNATURE

MEMORANDUM FOR: THE PRESIDENT

FROM: Bert Lance

SUBJECT: Proposed Fiscal Year 1978 Request for a Supplemental  
Appropriation for the Resettlement of Southeast Asia  
Refugees into the United States

This proposed fiscal year 1978 supplemental appropriation would provide funds for domestic assistance to 15 thousand Southeast Asia refugees paroled into the United States as authorized by the Attorney General on August 11, 1977. It will also finance this program of assistance to all refugees to the end of fiscal year 1978. Under existing law, the authorization of this program expires on September 30, 1977. Legislation to extend the authorization until September 30, 1978, has been transmitted to the Congress. Under this proposed legislation, reimbursements to States for refugee assistance would be progressively scaled down for refugees admitted earlier; i.e., prior to the Attorney General's authorization of August 11, 1977. Reimbursement for costs associated with the 15 thousand new refugees would also eventually be scaled down over a three year period ending in 1982. This will insure that the program will be phased out by 1982. This request will fund the domestic costs of this refugee program. A request for supplemental appropriations for the State Department and a proposal for you to use the Emergency Refugee and Migration Assistance Fund to pay the offshore costs of this program has already been submitted to you. This request is consistent with the Agency request and is being recommended at this time because the necessary authorizing legislation has just been transmitted to the Congress.

Outlay Impact

This proposal will increase fiscal year 1978 outlays by \$65 million and fiscal year 1979 outlays by \$6.7 million.

Recommendation

In view of the urgent need for implementing the legislation extending the refugee program, I recommend that you sign the attached letter transmitting this request to the Congress.

Attachment



THE WHITE HOUSE  
WASHINGTON

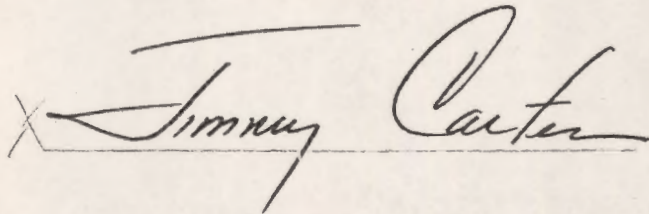
The Speaker of the  
House of Representatives

Sir:

I ask the Congress to consider a proposed supplemental appropriation for the fiscal year 1978 in the amount of \$71,700,000 for the Department of Health, Education, and Welfare.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

X  Jimmy Carter

Enclosure



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

The President

The White House

Sir:

I have the honor to submit for your consideration a proposed supplemental appropriation for the fiscal year 1978 in the amount of \$71,700,000 for the Department of Health, Education, and Welfare. The details of this proposal are contained in the enclosure to this letter.

I have carefully reviewed the proposal contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

A handwritten signature in dark ink, appearing to read "D. A. R.", is written over the typed name "Director".

Director

Enclosure



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Special Assistance to Refugees from Cambodia,  
Vietnam, and Laos in the United States

For assistance to refugees from Cambodia,  
Vietnam, and Laos in the United States,  
\$71,700,000: Provided, That all funds  
appropriated for this purpose shall remain  
available through September 30, 1978.

This appropriation request is necessary to provide funds for domestic assistance for the 15 thousand refugees from Southeast Asia to be admitted by parole as authorized by the Attorney General on August 11, 1977, and to continue assistance to refugees already in the United States. Legislation authorizing the extension of this program has been proposed. This proposal will increase budget outlays by \$65 million in fiscal year 1978 and \$6.7 million in fiscal year 1979.

THE WHITE HOUSE

WASHINGTON

Date: September 20, 1977

MEMORANDUM

FOR ACTION:

Zbig Brzezinski *concur by phone*

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lance memo dated 9/20/77 re Proposed FY 1978 Request for  
a Supplemental Appropriation for the Resettlement  
of Southeast Asia Refugees into the United States

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

       I concur.

       No comment.

*Please note other comments below:*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



THE WHITE HOUSE  
WASHINGTON

9/20/77

TO: Rick Hutchinson

For Your Information: \_\_\_\_\_

For Appropriate Handling: ✓

\_\_\_\_\_

\_\_\_\_\_

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RDL  
Robert D. Linder

THE WHITE HOUSE  
WASHINGTON

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ACTION  
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<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	ARAGON
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<input checked="" type="checkbox"/>	BRZEZINSKI
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<input type="checkbox"/>	JAGODA
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<p><i>Asenbury</i></p> <p>SC CORRESPONDENCE PROFILE</p>	DOC		REC'D			LOG NUMBER	INITIAL ACTION U
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FROM: SECSTATE \_\_\_\_\_  
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Hutchison, P. / LANCE, B

SUBJECT: NSC Comments requested on Proposed FY 1978

request for appropriation for Resettlement of Southeast Asia  
Refugees into US

INTERNAL ROUTING AND DISTRIBUTION				REC CY FOR	ACTION REQUIRED
ADV CYS M/ISS/AA/RS	ACTION	CONCUR/ COMMENTS	INFO		
STAFF SECRETARY	X				MEMO FOR THE PRESIDENT .....
CONGRESSIONAL		X			MEMO FOR MR. BELMONT .....
ECONOMIC					REPLY FOR .....
EUR/ CANADA					APPROPRIATE ACTION .....
PAC EAST					MEMO _____ TO _____ .....
INTELLIGENCE					RECOMMENDATIONS .....
PEOPLE'S REP OF CHINA		X			JOINT MEMO .....
MID EAST/NO. AFRICA					REFER TO _____ FOR: _____
NORTH/SOUTH ISSUES					ANY ACTION NECESSARY? .....
SECURITY ANALYSIS					CONCURRENCE OR COMMENTS. <i>to Hutchesson</i> .....
GLOBAL ISSUES		X			DUE DATE: <i>ASAP</i>
CRISIS MGMT					COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS)
					<i>Concur mo</i>

[illegible]

ISPATCH \_\_\_\_\_

**SPECIAL DISPOSITION:**

REGAL INDEXING

M/P/D \_\_\_\_\_ 3Y \_\_\_\_\_

CRT 10: NS PY

OPEN \_\_\_\_\_

Date: September 20, 1977

MEMORANDUM

## FOR ACTION:

Zbig Brzezinski

## FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lance memo dated 9/20/77 re Proposed FY 1978 Request for  
a Supplemental Appropriation for the Resettlement  
of Southeast Asia Refugees into the United States

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE TURNAROUND

DAY:

DATE:

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☐ I concur.☐ No comment.*Please note other comments below:*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material please telephone the Staff Secretary immediately. (Telephone 70521)





• EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

September 20, 1977

SIGNATURE

MEMORANDUM FOR: THE PRESIDENT

FROM: Bert Lance

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Recommendation

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Attachment



Estimate No. \_\_\_\_\_  
Congress, \_\_\_\_\_ Session

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

The President

The White House

Sir:

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I have carefully reviewed the proposal contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

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Director

Enclosure



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Special Assistance to Refugees from Cambodia,  
Vietnam, and Laos in the United States

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THE WHITE HOUSE

WASHINGTON

The Speaker of the  
House of Representatives

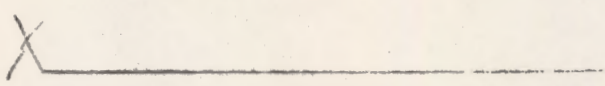
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The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

Enclosure





THE WHITE HOUSE  
WASHINGTON

9-22-77

Tim

Status of Mountain  
Forest Fair invitation  
10/8 ?

JL

Electrostatic Copy Made  
for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

September 22, 1977

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1

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Proposal of Thomas V. Jones for dealing with Defense Contractor Overruns

Last week on a memorandum from Midge Costanza you asked for my comments on a proposal from Thomas V. Jones (Chairman and Chief Executive Officer for Northrop Corporation) relating to methods of dealing with defense contractor overruns. Mr. Jones proposes that decisions to purchase hardware be made on the basis of competitive alternatives and that the resulting fixed-price contractual agreements be strictly enforced. While this concept has merit, I believe we must be cautious in its application.

Northrop Corporation has made the concept work for some systems (mainly the F-5 aircraft); however, Northrop's approach does not address the problems which can arise in trying to push the state of technology and commit to production all in a single fixed-price contract. His proposal to defer production contracts unless the technical risk is low is correct in principle. But it is not, as I know from bitter experience, so easy to know when technical risk is low.

The Department of Defense tried a similar approach for the C-5 aircraft which should have involved little technical risk. In the event, the design turned out to be marginal. During the development process, when Lockheed developed a new and superior wing design, it had to be turned down since to do otherwise would have violated the C-5 contractual agreement. Such rigidity in the development of complex systems thus can turn out to be self-defeating. With regard to competing alternatives, the Department of Defense instituted procedures nearly a year and a half ago to promote competition between contractors exploring alternative systems.

While I am not satisfied with the Department of Defense's efforts to curb cost overruns, I do not believe that the early introduction of fixed-price contractual arrangements, as suggested by Mr. Jones, is the universal solution. Fixed-price contracts can and should be used when the technical risk clearly permits such an arrangement.

*Harold Brown*

Electrostatic Copy Made  
for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Zbig Brzezinski

The attached will be submitted to  
the President. This copy is forwarded  
to you for your information.

Rick Hutcheson

RE: DEFENSE CONTRACTOR OVERRUNS

THE WHITE HOUSE

WASHINGTON

*Brown's office will  
have it done by 1030 a.m.  
Fri*

Date: August 30, 1977

MEMORANDUM

FOR ACTION:

Secretary Brown

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza memo dated 8/26/77 re suggested method of dealing  
with defense contractor overruns, authored by Thomas V.  
Jones

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Thursday

DATE: September 1, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



THE WHITE HOUSE  
WASHINGTON

August 26, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

MARGARET COSTANZA *mc*

SUBJECT:

Attached suggested method of dealing  
with defense contractor overruns,  
authored by Thomas V. Jones, Chairman  
and Chief Executive Officer, The Northrop  
Corporation

The Northrop Corporation has an excellent record with  
reference to holding contract costs to original bid  
price. This summary from Mr. Jones represents his idea  
of how that concept may be enlarged for all competing  
industries for Department of Defense contracts.

cc: Stuart Eizenstat

Richard Reiman:ERC

## The Problem

The new Administration faces a major task in managing defense procurements to ensure maximum defense within the available budget, on a long term and continuing basis.

The defense budgeting process now requires, for weapons systems going into the force structure, a complete DOD plan for the total R&D, procurement, and maintenance and operating costs. These plans are presented to the Congress in seeking authorization and appropriation to initiate the program.

Independent pressures, for one program and against another, have traditionally made it very difficult to plan on a consistent basis for national defense. Recent legislation established Congressional Budgetary Committees to determine and control the proper level and allocation of resources within the total budget. With the presence of the two Budgetary Committees, the Executive Branch now has the possibility of having the Congress, through its budgetary committees, share the responsibility of restraining special interests that may try to distort the management positions taken by the Defense Department and the Administration with respect to force structure decisions.

Nevertheless, the fundamental problem remains that once a plan has been made and agreed upon, there is still a record of cost overruns that have a cascading effect on national security.



The effect of overruns on our defense posture can be seen by analyzing what has occurred in the past ten years. Overruns on major weapon systems have averaged 40% above the original planned funds even after inflation has been taken into account. With reprogramming the number of units being procured for major weapon systems is actually 30% less than originally planned. Further analysis shows that if the procurement budget had been held to the originally planned level, then the numbers procured would have been one-half of those planned.

This means that 30% of the planned effectiveness has been lost. Yet, the defense program as a whole was keyed to the full number of units planned. Manning, basing, and other supporting programs were often started and then rescheduled or stopped. Hence, the reduction in defense capability which results from the failure to deliver the number of units planned at the projected cost is further amplified, since the rest of the Defense establishment is keyed to the original force structure plan. This disruption is perhaps the largest single cause of waste in the Defense Department.

#### A New Concept

The way to correct this situation is to ensure that decisions to purchase hardware for the force structure will only be made in the presence of competitive alternatives, and with firm and binding contractual commitments on the part of companies prepared to stand behind those commitments.

Sound force structure procurements can only be made in this way. Once such commitments are made the government must insist on absolute adherence to the contractual agreements. This disciplined and business-like approach can stop overruns, waste of defense funds, and the resulting loss in force effectiveness.

Adherence to this sound procurement practice requires that military needs be sufficiently defined so that a binding fixed price type contract can be written with an industrial supplier. If either party is unwilling to undertake such a commitment, it is clear evidence that not enough is known to procure for force structure. When this situation occurs, and the particular system is considered of importance to national defense, then a program should be formulated for gaining the necessary knowledge through R&D or prototyping contracts. Such efforts should use whatever contracting form is most efficient to provide both parties the knowledge and confidence to enter into a firm contract for force structure hardware. Proceeding on a major system program with the hope of gaining knowledge along the way is very costly and causes waste in other supporting expenditures.

To qualify for force structure procurements, a defense contractor must have the demonstrated capability in plant, equipment, organization and experience, and must have the financial capacity to accept responsibility for any risk inherent in his bid. This is analogous to a building contractor who must obtain a bond on each one of his projects.



When it is understood that the government means business, then a profound change will result in the attitude and business character of the defense industry. Boards of Directors will become vitally concerned with such matters as technical risk and the resulting effect on performance, schedule, and cost commitments. Decisions on modernizing plant and equipment will now be driven by the need to compete in terms of productivity, combined with the real discipline of having to deliver under the terms of the contract. Major weapon system proposals will no longer be based predominantly on optimistic projections, with heavy emphasis on political support, public relations, and salesmanship.

When Corporations make contract bid decisions, the Chief Engineer, Chief Financial Officer, and the Chief Legal Officer will be in the Board Room together with the Directors. It will be clear that they are making binding commitments in which the future of the Corporation is at stake.

Faced by continuing overruns and pressure from special interests, the new Administration must decide quickly the path it is going to take. To face it squarely now will signal a new direction, and establish the groundrules that are going to hold for the duration of this Administration. Defense procurement will be transformed by disciplined adherence to contractual commitments. The result will strengthen the Defense Industry, increase the effectiveness of our forces, and eliminate the waste created by past practices.

The alternative to this course of action is to face the reality that it is the taxpayer, not the private sector, that is taking the risk for production commitments. We will have lost a real opportunity for the private sector to make a major contribution to the budgetary integrity and security of our Country.

RECEIVED  
JUN 22 11 03 AM '51  
RECEIVED  
JUN 22 11 03 AM '51



Date: August 26, 1977

MEMORANDUM

## FOR ACTION:

Stu Eizenstat  
Jack Watson  
Bert Lance  
Zbig Brzezinski

## FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza memo dated 8/26/77 re transmittal of Jones  
memo concerning the suggested method of dealing with  
defense contractor overruns.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 10:00 A.M.

DAY: Monday

DATE: August 29, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☐ I concur.☐ No comment.*Please note other comments below:*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

AUG 29 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: Bert Lance (SIGNED) B. LANCE  
SUBJECT: Tom Jones' Letter on Defense Procurement

I would make the following points about Tom Jones' memo on Defense procurement:

- . His approach is correct in principle.
- . It is consistent with current Defense procurement policy.
- . We are moving in that direction.
- . Because of the practical difficulties of going much further, strong Presidential backing would be required.

Some of the practical difficulties which stand in the way of full implementation are as follows:

First, in some instances we have only a single qualified producer of a particular item and to have a competitive producer could be prohibitively expensive. An example of this is nuclear powered surface ships. Some would argue that, in the long run, creation of a second qualified producer would save money. Nevertheless, in the short run, costs would increase significantly.

Second, in many instances the Defense Department argues that we cannot afford to wait due to urgent military need and significant production and development risk is necessary. Such judgments should be accepted only in special rare circumstances.

Third, the federal government has been reluctant to take the full consequences of competition because, a. it needs the particular product; b. it needs the company; and c. it is politically very difficult to follow strictly competitive rules and to enforce contracts stringently.

Conclusion

On balance, most of the Jones' memo makes sense to us. We could do much better, but this will require hard decisions and strong Presidential support.



THE WHITE HOUSE

WASHINGTON

Date: August 26, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat *acknowled*  
Jack Watson *ng by phone*  
Bert Lance *acknowled*  
Zbig Brzezinski *acknowled*

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

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TIME: 10:00 A.M.

DAY: Monday

DATE: August 29, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

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Please note other comments below:

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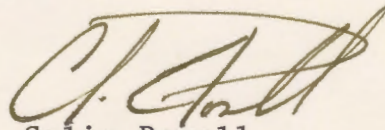
OFFICE OF THE SECRETARY OF DEFENSE

September 1, 1977

*Memo For* Mr. Rick Hutcheson, Staff Secretary

Attached are DoD comments relating to the suggestions of Thomas V. Jones, Chairman and Chief Executive Officer of the Northrop Corporation relating to methods of dealing with the Defense contractor overruns.

In view of the short suspense, time was not available to prepare a fully coordinated position on the proposal. I trust the attached will suffice.



Colin Powell  
Colonel, USA  
Executive Assistant to  
The Special Assistant

Attachment



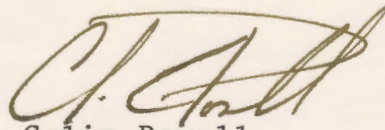
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Colin Powell  
Colonel, USA  
Executive Assistant to  
The Special Assistant

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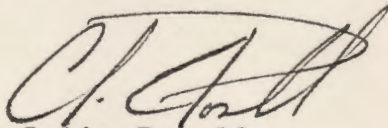
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Colin Powell  
Colonel, USA  
Executive Assistant to  
The Special Assistant

Attachment



PROPOSAL OF THOMAS V. JONES FOR DEALING WITH DEFENSE CONTRACTOR OVERRUNS

The general statement of the problem as set forth by Mr. Jones is certainly an accurate representation of what we have seen generally in the procurement of major weapon systems in the past years.

The Commission on Government Procurement which completed its work in late 1972 documented in great detail the nature of the problem as described in Mr. Jones letter. The Commission went on to state a number of very specific recommendations dealing with major system acquisitions. These recommendations were incorporated in OMB Circular A-109 dated April 1976, the thrust of which is consistent with Mr. Jones' concept. OMB Circular A-109 is the basis for major changes that are now taking place within the process for the acquisition of major systems within the Department of Defense. A complete change to the front end of the acquisition process leading to more highly competitive selection of alternative systems proposals to meeting a specific mission need is taking place.

DoD Directives 5000.1 and 5000.2 issued in January 1977 implemented in DoD the concept of A-109. New programs will be subject to these changed requirements.

Mr. Jones and Defense contractors may be assured that Mission Element Needs Statements, competition and increased use of fixed price contracts will be an integral part of the Department of Defense system.

## MEMORANDUM

## NATIONAL SECURITY COUNCIL

August 29, 1977

MEMORANDUM FOR:

RICK HUTCHESON

FROM:

CHRISTINE DODSON *ChD*

SUBJECT:

Defense Contract Overruns

We have two comments concerning Mr. Jones' memorandum:

First: Our initial impression is that, although we are naturally in favor of avoiding defense contract cost overruns, Mr. Jones' approach may be too simplistic. The last sentence in his second paragraph on page three "assumes away" one of the more difficult problems inherent in buying highly complex weapons systems over extended periods of time: i.e., since it is difficult to predict technological progress 5-10 years downstream, there may be no alternative, in many cases, to Defense having to take the often costly route of "proceeding on a major system program with the hope of gaining knowledge along the way."

Second: Mr. Jones' suggestions parallel several of the recommendations in the March 1973 report of the Congressionally-mandated Commission on Government Procurement (COGP). The last activities we are aware of to implement the COGP recommendations occurred in 1974. It might be worthwhile to ask Harold Brown to look at Mr. Jones' suggestions, perhaps in the context of the COGP report, and have him provide the President supplemental comments.



PROPOSAL OF THOMAS V. JONES FOR DEALING WITH DEFENSE CONTRACTOR OVERRUNS

The general statement of the problem as set forth by Mr. Jones is certainly an accurate representation of what we have seen generally in the procurement of major weapon systems in the past years.

The Commission on Government Procurement which completed its work in late 1972 documented in great detail the nature of the problem as described in Mr. Jones letter. The Commission went on to state a number of very specific recommendations dealing with major system acquisitions. These recommendations were incorporated in OMB Circular A-109 dated April 1976, the thrust of which is consistent with Mr. Jones' concept. OMB Circular A-109 is the basis for major changes that are now taking place within the process for the acquisition of major systems within the Department of Defense. A complete change to the front end of the acquisition process leading to more highly competitive selection of alternative systems proposals to meeting a specific mission need is taking place.

DoD Directives 5000.1 and 5000.2 issued in January 1977 implemented in DoD the concept of A-109. New programs will be subject to these changed requirements.

Mr. Jones and Defense contractors may be assured that Mission Element Needs Statements, competition and increased use of fixed price contracts will be an integral part of the Department of Defense system.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

AUG 29 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: Bert Lance *BL*  
SUBJECT: Tom Jones' Letter on Defense Procurement

I would make the following points about Tom Jones' memo on Defense procurement:

- . His approach is correct in principle.
- . It is consistent with current Defense procurement policy.
- . We are moving in that direction.
- . Because of the practical difficulties of going much further, strong Presidential backing would be required.

Some of the practical difficulties which stand in the way of full implementation are as follows:

First, in some instances we have only a single qualified producer of a particular item and to have a competitive producer could be prohibitively expensive. An example of this is nuclear powered surface ships. Some would argue that, in the long run, creation of a second qualified producer would save money. Nevertheless, in the short run, costs would increase significantly.

Second, in many instances the Defense Department argues that we cannot afford to wait due to urgent military need and significant production and development risk is necessary. Such judgments should be accepted only in special rare circumstances.

Third, the federal government has been reluctant to take the full consequences of competition because, a. it needs the particular product; b. it needs the company; and c. it is politically very difficult to follow strictly competitive rules and to enforce contracts stringently.

Conclusion

On balance, most of the Jones' memo makes sense to us. We could do much better, but this will require hard decisions and strong Presidential support.



THE WHITE HOUSE

WASHINGTON

August 29, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT  
FRANK RAINES

*Stu*

SUBJECT:

Thomas Jones Memo on Defense Contractor  
Cost Overruns

This memorandum expresses very well one view of how to deal with the problem of defense contractor cost overruns. Before any action is taken based on this advice, sound though as it may be, the Defense Department should be asked to provide its analysis, a comparison with current and past practices, as well as other suggestions. You might also ask Admiral Rickover for his comments.

The cause of cost overruns is a hotly debated subject. The most often mentioned causes are lack of competition in the industry, intentional underbidding, incomplete research and development prior to production, changes in system specifications, bad management and inflation.

The field is made more difficult by the political environment in which defense procurement decisions have been made in the past. Congressional pressure, the need to maintain the viability of certain contractors, and economic impact on surrounding communities have all played a part in some procurement decisions.

If you decide to take any action in this area, we suggest that it be preceded by careful study. Defense procurement policy has been in a constant state of flux for much of the last decade. We should be certain to seek the advice of knowledgeable people from outside the government and the defense industries. We should also be careful that our policy does not unwittingly favor certain financially strong companies which could later emerge in a monopoly position in serving defense needs.

## STAFF COMMENTS

NSC: One of the more difficult problems inherent in buying highly complex weapons systems over extended periods of time is that, as it is difficult to predict technological progress 5-10 years downstream, there may be no alternative to DoD having to take the often costly route of "proceeding on a major systems program with the hope of gaining knowledge along the way."

DoD: The recommendations of the Commission on Government Procurement (1972) documented the problems described by Mr. Jones, and made recommendations consistent with his ideas. "OMB Circular A-109 is the basis for major changes that are now taking place within the process for the acquisition of major systems with DoD. A complete change to the front end of the acquisition process leading to a more highly competitive selection of alternative systems proposals to meeting a specific mission need is taking place."

Lance: Agrees with DoD that Jones' approach is consistent with current DoD procurement policy, and says "we are moving in that direction." Some practical difficulties which stand in the way of full implementation are:

- in some instances there is only a single qualified producer of a particular item; to have a competitive producer could be prohibitively expensive;
- in some cases DoD argues that we cannot afford to wait, due to urgent military need; and
- it is politically difficult to follow strictly competitive rules and to enforce contracts stringently. "We could do much better, but this will require hard decisions and strong Presidential support."

Eizenstat comments: "The cause of cost overruns is a hotly debated subject. The most often mentioned causes are lack of competition in the industry, intentional underbidding, incomplete research and development prior to production, changes in system specifications, bad management and inflation. The field is made more difficult by the political environment in which defense procurement decisions have been made in the past. Congressional pressure, the need to maintain the viability of certain contractors, and economic impact on surrounding communities have all played a part in some procurement decisions. If you decide to take any action in this area, we recommend that it be preceded by careful study."



THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Zbig Brzezinski

The attached was returned in the President's outbox today and a copy is sent to you for your information. The signed original has been forwarded to ~~Bob Linder~~ for appropriate handling and delivery. *you*

Rick Hutcheson

RE: RELATIONS OF THE JOINT CHIEFS OF  
STAFF TO THE PRESIDENT

~~Bob Linder~~

~~SECRET ATTACHMENT~~

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
X	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
X	LINDER - <i>delivered</i>
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



~~SECRET~~

THE WHITE HOUSE

WASHINGTON

6131

~~SECRET~~ACTION

September 21, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: DAVID AARON *DA*

SUBJECT: Your Relations With the Joint  
Chiefs of Staff

*ok -  
wording not  
so good  
J*

Earlier this year when we were abolishing the directives of former administrations and replacing them with your own, NSAM 55 was eliminated. This directive was signed in June 1961 by President Kennedy in the wake of the Bay of Pigs debacle and drew a line between those paramilitary operations which would be conducted by CIA and those which henceforth would be the responsibility of the JCS. The directive also contained provisions relating to the role of the Joint Chiefs in the NSC decision process.

Although the paramilitary aspects of the directive had been overtaken by events, the portions relating to the role of the Joint Chiefs in the NSC process remained in force throughout four administrations and are still pertinent today and the Joint Chiefs of Staff would like them reaffirmed. There is no problem with doing so. The only sensitivity is in the role of the Secretary of Defense.

I have been discussing this at some length with Harold Brown, General Brown and their staffs. They concur with the attached memorandum. It reaffirms the JCS role of direct access to you but makes clear that the Secretary of Defense is informed of their views in advance. Moreover, your memorandum is forwarded to the Chairman of the JCS through the Secretary of Defense in accordance with the chain of command. Thus, the Secretary of Defense explicitly is put into the loop while at the same time there is no implication of "muzzling" the military. Indeed, the memorandum would be very welcome by the JCS.

Accordingly, I recommend you sign the attached memorandum. Zbig concurs.

RECOMMENDATION:

That you sign the memorandum at Tab A.

~~SECRET/GDS~~

*Aug 12/27/87*

~~SECRET~~

THE WHITE HOUSE  
WASHINGTON

~~SECRET~~

MEMORANDUM FOR

THE CHAIRMAN, JOINT CHIEFS OF STAFF

THROUGH: THE SECRETARY OF DEFENSE

SUBJECT: Relations of the Joint Chiefs of Staff  
to the President

On June 10, 1977, I abolished NSAM 55. In view of changed circumstances and organizational arrangements since it was issued in June 1961, I concluded that the memorandum was no longer appropriate. However, some of the principles underlying that charter remain essential for the effective conduct of our national security policy.

Accordingly, I expect the Joint Chiefs of Staff to continue presenting the military viewpoint in governmental councils in such a way as to assure that military factors are clearly understood before decisions are reached. In the absence of other members of the Joint Chiefs of Staff, when only the Chairman or Acting Chairman is present, that officer will represent and will articulate the views of the Joint Chiefs of Staff, identifying personal views when corporate judgment has not been developed. Preliminary and subsequent actions will be taken as necessary to assure that the Chairman does, in fact, represent the corporate judgment of the Joint Chiefs of Staff.

While I recognize that the views of the Joint Chiefs of Staff will be fundamentally addressed to the military factors, I also expect and welcome their help in fitting military requirements in the overall context of any situation or issue without reservation or hesitation.

~~SECRET/GDS~~

*Jay 12/27/79*



~~SECRET~~

2

As has been the case heretofore, I expect the Joint Chiefs of Staff to continue to give me their advice direct and unfiltered after informing the Secretary of Defense.

*Jimmy Carter*

~~SECRET/GDS~~

THE WHITE HOUSE  
WASHINGTON

September 22, 1977

Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

RE: NOTE TO SEC. ADAMS RE 55 MPH  
SPEED LIMIT



THE WHITE HOUSE  
WASHINGTON

TO ADAMS

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input checked="" type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE  
WASHINGTON

9-22-77

To Brock

Draft for me a brief  
mailgram to each Governor  
of states which should  
improve highway speed limit  
compliance.

Quote data, & contrast  
with other states doing  
a good job.

J.C.





THE SECRETARY OF TRANSPORTATION  
WASHINGTON, D.C. 20590

SEP 10 1977

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

Enclosed is the speed monitoring data you requested during our August 31 meeting regarding the 55 mph speed limit. I am also enclosing traffic fatality data for the years 1973 through 1976 which clearly indicate the reduction in fatalities achieved after the speed limit was initially imposed January 2, 1974.

Respectfully,

A handwritten signature in blue ink, reading "Brock Adams", is centered below the word "Respectfully,".

Brock Adams

2 Enclosures

SEP 14 1977





## SPEED MONITORING DATA

Attached herewith are two sheets containing tabulations of selected speed monitoring data for each of the States and Puerto Rico. There is no data for the District of Columbia because the only roadway posted for 55 miles per hour in the District is a short section of the Woodrow Wilson Bridge. By agreement, the State of Maryland includes this section in the mileage of urban freeway they are monitoring.

The tabulations represent data reported by the States in their certifications of speed limit enforcement for 1975 and 1976, which were submitted according to law prior to January 1, 1976, and January 1, 1977, respectively. The 1977 data have been compiled from the three quarterly speed monitoring reports submitted by the States thus far in the 1977 speed monitoring year. The tabulations contain listings of the average speed, the 85th percentile speed, and the percent of vehicles exceeding 55 and 65 miles per hour.

STATES (By FHWA Region)		PERCENT OF VEHICLES EXCEEDING 55 MPH			PERCENT OF VEHICLES EXCEEDING 65 MPH		
		1975	1976	1977**	1975	1976	1977**
1	CONNECTICUT	79.4	82.0	77	6.7	18.0	14
	MAINE	69.6	61.6	70	7.8	6.0	11
	MASSACHUSETTS	63.6	64.9	60	5.5	7.9	8
	NEW HAMPSHIRE	59.0	30.4	45	6.0	2.2	4
	NEW JERSEY	47.1	46.7	48	2.1	2.0	2
	NEW YORK	*	40.1	40	*	3.7	4
	RHODE ISLAND	*	49.0	50	*	5.0	6
	VERMONT	51.0	65.7	68	6.0	10.1	11
	PUERTO RICO	20.0	25.4	29	2.8	3.9	4
3	DELAWARE	55.8	49.5	56	6.2	5.7	5
	MARYLAND	27.0	46.4	50	1.0	1.9	3
	PENNSYLVANIA	24.0	57.0	46	3.0	6.0	5
	VIRGINIA	34.9	28.7	30	3.2	2.2	2
	WEST VIRGINIA	49.4	54.8	56	1.0	4.0	5
	DIST. OF COLUMBIA	--	--	--	--	--	--
4	ALABAMA	N.A.	52.0	56	N.A.	8.0	8
	FLORIDA	45.4	59.0	59	5.6	9.0	7
	GEORGIA	62.4	63.0	60	5.6	6.0	7
	KENTUCKY	38.8	47.3	39	3.7	6.9	5
	MISSISSIPPI	N.A.	57.0	59	N.A.	10.0	11
	NORTH CAROLINA	43.0	56.3	64	2.0	3.3	6
	SOUTH CAROLINA	73.6	56.5	55	5.3	2.8	2
	TENNESSEE	N.A.	22.0	61	N.A.	1.0	11
5	ILLINOIS	60.1	57.0	60	7.8	6.0	6
	INDIANA	*	66.0	65	*	7.0	7
	MICHIGAN	53.3	64.0	54	5.1	6.0	4
	MINNESOTA	60.7	61.6	54	5.4	5.1	3
	OHIO	54.5	52.2	57	3.5	3.7	5
	WISCONSIN	64.0	53.9	55	2.0	3.9	4
6	ARKANSAS	43.8	62.0	56	4.4	7.0	6
	LOUISIANA	28.1	39.0	37	N.A.	3.0	3
	NEW MEXICO	N.A.	66.9	67	N.A.	15.5	14
	OKLAHOMA	63.0	61.0	63	8.0	8.0	9
	TEXAS	55.7	66.0	70	5.2	10.0	13
7	IOWA	66.0	55.6	61	N.A.	4.6	4
	KANSAS	58.0	60.0	63	5.0	8.0	8
	MISSOURI	42.0	63.0	78	3.0	6.0	7
	NEBRASKA	49.0	56.0	59	3.0	3.0	4
8	COLORADO	29.0	40.0	40	1.0	1.0	2
	MONTANA	*	64.1	59	*	10.0	9
	NORTH DAKOTA	67.0	70.0	68	14.0	20.0	17
	SOUTH DAKOTA	*	N.A.	63	*	N.A.	8
	UTAH	54.0	60.0	65	7.0	6.2	10
	WYOMING	81.0	76.0	76	17.0	15.0	17
9	ARIZONA	65.0	62.6	66	9.0	9.5	11
	CALIFORNIA	*	49.0	53	*	6.0	7
	HAWAII	11.0	30.0	39	0.4	4.0	4
	NEVADA	55.0	61.4	62	7.0	12.1	10
	TOTAL						
10	ALASKA	N.A.	37.7	39	N.A.	6.1	6
	IDaho	36.4	38.3	49	3.1	3.0	5
	OREGON	*	55.0	52	*	3.0	3
	WASHINGTON	48.3	51.8	63	2.3	2.5	4

\*Statewide averages not given in Annual Certification  
\*\*FY 1977 to June 30



STATES (By FHWA Region)	AVERAGE SPEED (MPH)			85th PERCENTILE SPEED (MPH)		
	1975	1976	1977**	1975	1976	1977**
1 CONNECTICUT	59.1	60.9	59.8	62.9	65.7	64.5
MAINE	58.7	57.1	58.5	63.2	62.0	63.7
MASSACHUSETTS	56.7	57.4	56.9	61.3	62.3	62.0
NEW HAMPSHIRE	58.4	53.3	55.3	63.0	58.2	60.1
NEW JERSEY	54.9	53.4	53.5	57.5	59.0	58.3
NEW YORK	55.4	52.2	52.3 ←	63.1	59.6	59.6
RHODE ISLAND	53.1	55.0	55.1	57.7	59.3	59.9
VERMONT	55.8	57.9	58.4	62.0	64.0	64.1
PUERTO RICO	48.2	50.2	51.2	56.0	57.4	57.6
3 DELAWARE	N.A.	55.3	56.1	55-65	60-65	60.4
MARYLAND	53.9	55.5	55.4	57.5	59.8	60.3
PENNSYLVANIA	52.0	56.0	54.5	56.0	60.6	59.6
VIRGINIA	52.9	51.4	51.6 ←	60.2	58.2	57.5
WEST VIRGINIA	54.1	55.6	55.7	56.9	60.7	60.8
DIST. OF COLUMBIA	--	--	--	--	--	--
4 ALABAMA	N.A.	55.4	55.8	N.A.	61.7	61.8
FLORIDA	54.2	56.9	56.7	61.0	63.0	62.8
GEORGIA	56.3	55.6	57.2	60.3	60.0	61.7
KENTUCKY	53.1	53.4	53.3 ←	58.9	60.4	59.8
MISSISSIPPI	N.A.	57.0	57.6	N.A.	62.8	63.7
NORTH CAROLINA	54.2	55.9	56.8	59.0	61.0	62.0
SOUTH CAROLINA	58.1	55.9	55.7	62.1	60.4	60.0
TENNESSEE	N.A.	48.8	55.7	N.A.	57.7	64.1
5 ILLINOIS	56.6	56.1	56.8	63.2	61.5	61.8
INDIANA	58.4	57.3	57.4	62.9	61.9	62.4
MICHIGAN	55.5	57.2	56.1	60.4	61.7	61.1
MINNESOTA	N.A.	56.9	55.9	62.0	62.0	55.9
OHIO	55.2	55.0	55.8	61.1	60.0	61.6
WISCONSIN	56.4	55.4	55.5	61.5	61.1	61.1
6 ARKANSAS	53.6	57.3	56.0	60.1	62.9	62.1
LOUISIANA	53.1	54.4	53.9 ←	57.5	59.6	58.7
NEW MEXICO	58.9	58.3	58.4	68.0	65.9	65.8
OKLAHOMA	57.4	57.1	57.5	63.0	62.0	63.0
TEXAS	55.9	57.5	58.3	62.0	64.6	65.6
7 IOWA	56.9	55.6	56.6	62.3	61.4	61.7
KANSAS	56.1	57.1	57.4	61.7	62.3	62.6
MISSOURI	54.1	57.1	58.8	60.0	62.0	63.3
NEBRASKA	54.8	55.9	56.5	59.6	60.6	60.9
8 COLORADO	52.0	54.0	54.0	57.0	58.0	59.3
MONTANA	*	57.5	56.9	*	63.4	62.9
NORTH DAKOTA	58.4	58.8	58.1	65.1	66.2	65.1
SOUTH DAKOTA	55.3	57.1	57.2	61.0	62.5	61.8
UTAH	55.3	55.4	57.0	61.1	61.0	62.7
WYOMING	59.6	59.0	59.2	66.0	66.0	66.0
9 ARIZONA	57.9	57.4	57.8	63.0	63.0	63.5
CALIFORNIA	56.5	54.8	55.4	62.5	60.8	61.3
HAWAII	49.4	51.7	53.3	55.5	58.3	59.6
NEVADA	56.0	57.7	57.8	63.0	63.8	63.6
10 ALASKA	N.A.	53.5	53.4	N.A.	59.8	59.8
IDaho	54.0	54.3	55.8	61.1	59.1	60.5
OREGON	*	55.8	55.5	*	60.4	59.7
WASHINGTON	55.5	55.8	56.9	59.0	59.0	61.0

\*Statewide averages not given in Annual Certification.

\*\*FY 1977 to June 30

Fatality Data



## FATALITY DATA

Attached is State by State traffic fatality data for the years 1973 through 1976 which clearly show the reduction in fatalities achieved after the 55 mph speed limit was initially imposed in January 1974.

# TRAFFIC FATALITIES BY STATE 1973 - 1976

STATE	1973	1974	1975	1976	
ALABAMA	1259	975	975	1033	↗
ALASKA	74	85	117	128	↗
ARIZONA	958	724	670	737	↗
ARKANSAS	670	529	566	536	
CALIFORNIA	4905	3983	4189	4489	↗
COLORADO	672	619	591	634	↗
CONNECTICUT	516	397	398	419	↗
DELAWARE	130	114	125	121	↗
FLORIDA	2672	2264	2040	2011	
GEORGIA	1885	1540	1386	1275	
HAWAII	137	128	146	149	↗
IDAHO	349	326	284	282	
ILLINOIS	2369	2004	2084	2073	↗
INDIANA	1605	1164	1133	1262	↗
IOWA	814	682	674	785	↗
KANSAS	623	526	517	563	↗
KENTUCKY	1130	795	882	874	↗
LOUISIANA	1169	821	940	964	↗
MAINE	247	216	226	227	
MARYLAND	822	732	691	678	
MASSACHUSETTS	1010	957	884	809	
MICHIGAN	2213	1875	1811	1955	↗
MINNESOTA	1024	843	777	809	
MISSISSIPPI	883	643	612	677	
MISSOURI	1451	991	1075	1203	↗
MONTANA	319	302	298	300	
NEBRASKA	432	390	376	402	
NEVADA	267	220	221	224	
NEW HAMPSHIRE	145	167	151	159	
NEW JERSEY	1334	1116	1080	1053	
NEW MEXICO	645	549	568	547	
NEW YORK	3082	2610	2458	2359	
NORTH CAROLINA	1868	1580	1522	1518	
NORTH DAKOTA	207	162	169	183	↗
OHIO	2385	1887	1809	1870	
OKLAHOMA	795	752	763	838	↗
OREGON	635	669	574	636	
PENNSYLVANIA	2441	2155	2082	2025	
RHODE ISLAND	131	99	112	121	↗
SOUTH CAROLINA	972	873	821	820	
SOUTH DAKOTA	291	226	198	224	
TENNESSEE	1428	1258	1144	1146	
TEXAS	3692	2969	3429	3230	↗
UTAH	363	235	274	254	
VERMONT	154	128	144	117	
VIRGINIA	1220	1051	1030	1020	
WASHINGTON	776	759	771	823	↗
WEST VIRGINIA	476	446	486	494	↗
WISCONSIN	1158	908	940	947	
WYOMING	190	195	213	259	↗
DIST. OF COL.	76	78	74	60	
PUERTO RICO	570	569	511	498	
TOTAL	55,639	46,286	46,011	46,820	
FOOTNOTES					

DATE

COMPILED BY

CHECKED BY



THE WHITE HOUSE  
WASHINGTON

September 16, 1977

The Vice President  
Stu Eizenstat  
Jack Watson  
Bert Lance

The attached copy is being forwarded  
to the President today. This copy  
is sent to you for your information.

Rick Hutcheson

RE: SEC. ADAMS MEMO REGARDING THE 55 MPH  
SPEED LIMIT